

Identification of the Area

Name or Designation:

Area 30 is known as the Seattle Central Business District and includes the following neighborhoods: The International District (30-10), Pioneer Square Historical District (30-20), Downtown Office Core II (Area 30-30 and Area 30-70), Downtown Office Core I (Area 30-40), Downtown Mixed Commercial (Area 30-50), Downtown Mixed Commercial/south portion of Denny Regrade (Area 30-100), Downtown Retail Core (Area 30-60) and the Pike Place Market District (Area 30-80).

Boundaries:

Area 30 is bounded north on Denny Way – the southern border is along Yesler Way to 4th Avenue to King Street – bounded west on Alaskan Way – and bounded east on Interstate 5 freeway.

Maps:

A general map of the area is included in this report. More detailed Assessor's maps are located on the 7th floor of the King County Administration Building.

Area Description:

Area 30 is known as the Seattle Central Business District or the Commercial Core. It is considered downtown's largest and most developed neighborhood. The area is Puget Sound's major employment center, a lively tourist and convention attraction, a strong shopping magnet, a thriving residential center, and a regional cultural and entertainment hub. The Commercial Core's unique neighborhood identity reflects its role as the heart of Seattle's Downtown Urban Center. Area 30 is comprised of Seattle's Retail Core, Financial Center/Office Core, City and County Government Centers, Pike Place Market Historic District, Pioneer Square Historic District, International District and the Denny Triangle Neighborhood.

Area 30 is subdivided into nine neighborhoods and typically distinguished by their predominant zoning classification. The following is a brief description of each:

International District: Area 30-10

Boundaries: This neighborhood comprises the International District.

Neighborhood Description: The International District is an historic area consisting of older existing buildings that are located adjacent to the Pioneer Square District, Kingdome/Safeco Field, and Seattle Central Business District. The International District has IDM and IDR zones that are historic overlays restricting redevelopment conforming to historical requirements. The International Special Review District was established in 1973 to preserve the area's cultural and historical character of its neighborhood. The Seattle Chinatown-International District Preservation Development Authority (PDA) was created in 1975 as a public corporation to redevelop historic buildings for a number of uses, most importantly, low-income housing. Currently, most of the rehabs done in this area are through the PDA. The neighborhood has seen a few significant new additions in the recent past with the new Uwajimaya, an Asian grocery store and retail center with multi-family housing on the upper floors, Union Station, a multiple building office condominium project completed in 2000, and the Gray Cary building, a nine story office building currently under construction.

The competing neighborhood to this area is Area 30-20, the Pioneer Square Historic District. Both of these neighborhoods are considered historical landmark areas and have zone classifications that restrict redevelopment conforming to historical requirements. Therefore, these two areas are similar in location, amenities, zone requirements and restrictions.

The Pioneer Square Historic District Neighborhood: Area 30-20

Boundaries: This neighborhood is defined by the boundaries of the Pioneer Square Mixed zone classification established by the City of Seattle. The northern boundary zigzags from Columbia Street and First Avenue to Cherry Street and Second Avenue to James Street and Third Avenue to Jefferson Street. The southern boundary is along King Street to Occidental Street to South Dearborn Street. The western boundary is along Alaskan Way, and the eastern boundary is along Fourth Avenue.

Neighborhood Description: Pioneer Square Preservation District is Seattle's first neighborhood and first historic district. Pioneer Square is a well-preserved commercial district located in Seattle's original commercial center, just north of the new baseball stadium, Safeco Field, and the new football stadium, which is nearing completion. To the east of Pioneer Square is the new Union Station development. Today Pioneer Square is home to residents, galleries, shops, and restaurants as well as manufacturing and technology firms. The late nineteenth century brick and stone buildings characterize the

District, many built in the Romanesque Revival style that was popular when the city rebuilt its central core after a devastating fire in 1889. According to the Pioneer Square Preservation District Urban Conservation report from the City of Seattle Department of Neighborhoods, Pioneer Square has the largest collection of such buildings in the country. Established as a preservation district in 1970, the neighborhood is protected by design guidelines focused on preserving its unique historic and architectural character and assuring the sensitive rehabilitation of buildings. Successful implementation of these guidelines has made Pioneer Square one of Seattle's most treasured neighborhoods, which draws thousands of visitors and tourists each year. The past year has been a difficult one for many properties in this neighborhood due to the Nisqually earthquake in February of 2001 and the Dot Com fallout.

The district has assigned a Board of Directors as members of the Department of Neighborhoods to review and to approve any change to the exterior of existing structures. This group also implements the use and design guidelines to establish preservation of the neighborhood's appeal as to complement and enhance the historic character of the District and to retain the quality and continuity of existing buildings.

New construction, remodeling, and additional stories to existing buildings are discouraged unless they are the original structures. New construction and remodeling must be visually compatible with the predominant architectural style of building materials within the inherent historic character of the district. Although new projects need not attempt to duplicate original facades, the design process ought to involve serious consideration of the typical historic building character and details with the district. The district's guidelines of building restoration and renovation are the stabilization of significant historical detailing, respecting the original architectural style, compatible scale, and materials. Several Low Income Housing groups have expressed continued interest in this neighborhood and plan renovations to existing buildings.

Demolition or removal of buildings or other structures in the District is prohibited unless approved by the Department of Neighborhoods Board. The following prerequisites for approval for building demolition or removal are: existing buildings or structures do not contain any architectural or historic significance; use and design of the replacement structure must be visually compatible with the predominant architectural styles, building materials, and inherent historic character of the District; commitment for interim and long-term financing for the replacement structure has been secured with adequate financial backing to ensure completion of the project; satisfactory arrangements have been made for retention of any part of the structure's façade; and satisfactory assurance is provided that new construction will be completed within two (2) years of demolition.

Pioneer Square has a consistent pattern of building heights, and the board strives to maintain that scale. The district has been divided into three distinct areas according to topography, building character, and specific guidelines, which have been developed for each, and the following are:

Area 1 (PSM 100): Infill development should correspond closely to general patterns of development along street fronts. A new building may exceed the height of the tallest building on the block or the adjacent block frontage by 15 feet, but in no case shall the height exceed 100 feet.

Area 2 (PSM 100-120): Development of more residential uses is encouraged. Taller existing structures and a slight change in topography make higher buildings appropriate in this area. New buildings should be limited to 100 feet if the principal use is other than residential. If 75% or more of the building floor area is developed as residential uses, a 120 feet height limit is permitted.

Area 3 (PSM 85-120): The objective of this area is to redevelop vacant or under-utilized sites with new buildings in scale and character with the district. A maximum height of 85 feet will apply, but to encourage residential use, height may, with the board's approval, be increased to 120 feet if 50% of the project is committed to residential use.

Downtown Office Core II: Area 30-30 and Area 30-70

Boundaries: This area is comprised of two pockets that lay at the northern and southern boundaries of the Downtown Office Core I boundaries as established by the City of Seattle. It is irregular in shape and is best defined by the boundaries described in the Downtown Office Core 2 boundaries established by the City of Seattle.

Neighborhood Description: The Downtown Office Core II (DOC-2) area of the Seattle Central Business District is an area of limited high-rise construction, and it is designated as an expansion area for office buildings in the central business district. Both high-rise office and hotel construction is expanding into the subject neighborhood from the adjacent highly developed office and retail core. The Downtown Office Core II (DOC-2) serves as an additional expansion area from Downtown Office Core I (DOC-1) and Downtown Retail Core (DRC).

Area 30-30 is considered as the City and County Government Center, where most of the government buildings are located. The Millennium Tower, a 24-story office building with residential condominium units above was recently completed here. The new structure is located on the southwest corner of Second Avenue and Columbia Street. This neighborhood is a very small portion of the total area with a total of 36 parcels, 23 of which are improved parcels falling within the Geographic Appraiser's responsibility. The remaining properties are large office buildings, which are valued by the Office Specialist.

Area 30-70 is considered as a portion of the Financial Center/Office Core and Denny Triangle. This area consists of mid to high-rise office, hotels, and retail structures. The Westin Hotel, one of Seattle's finest hotels, located on Fifth Avenue between Virginia Street and Stewart Street, is where most of the visiting elective government officials and famous performers reside for lodging. Currently Area 30-70 is in transition of

constructing new office tower buildings, hotels, and expansion to the Washington State Convention Center. Approximately 75% of the parcels in this neighborhood are either vacant land (surface parking lots) or the land value of the improved property exceeds the property value via the income approach. Many of the older existing retail buildings and theaters have been remodeled and/or renovated.

Area 30-30's zone classification is "Downtown Office Core 2 – 240" (DOC2-240) indicates a maximum building height limit of two hundred forty feet (240 feet) above street elevation. Area 30-70's zone classification is "Downtown Office Core 2 – 300" (DOC2-300) indicates a maximum building height limit of three hundred feet (300 feet) above street elevation. Both of these zone classifications contain street-level use requirements, which are: 1) retail sales and services, except lodging; 2) human service uses and child care centers; 3) customer service offices; 4) entertainment uses, including cinemas and theaters; 5) museums and libraries; and 6) public atriums. The Downtown Office Core 2 (DOC 2) zone permits all central business district uses such as office, hotel, retail, mixed use residential, and parking garage structures, etc. The following uses shall be prohibited as both principal and accessory uses: drive-in businesses, except gas stations located in parking garage structures; outdoor storage; all general and heavy manufacturing uses; all salvage and recycling uses except recycling collection stations; and all high-impact uses.

Downtown Office Core 1: Area 30-40

Boundaries: The Downtown Office Core 1 (DOC 1) zone encompasses the area south of Union Street, west of Interstate 5 freeway and north of an irregular stepped boundary from Jefferson Street to a position mid-block between First Avenue and Second Avenue on Madison Street and thence north to Union Street.

Neighborhood Description: DOC 1 is the official designated portion of Seattle's Downtown Central Business District for the highest intensity of land use development. High-rise office buildings and major hotels exemplify the highest intensity of land use. This area is considered as the Financial Center of the Office Core. This area consists of high-rise office buildings such as Bank of America Tower, ATT Gateway Office Tower, Washington Mutual Tower, First Interstate Building, Bank of California Building, BA Fifth Avenue Building, BA National Bank Building, Two Union Square Building, and Rainier Plaza Building. Benaroya Hall and Seattle Art Museum, two of Seattle's cultural resources, are located on Second Avenue between Union Street and University Street, which were recently constructed in the past five years. The Fifth Avenue Theatre, located on Fifth Avenue between Union Street and University Street, has been a historic structure in Downtown Seattle for many years and has been renovated to a Broadway style stage theater. Currently, a new 37-story office tower known as the IDX Tower at Fourth and Madison is under construction. The proposed IDX Tower will consist of 35 stories of office space, 2 stories of retail space, and underground parking garage, with a total building area of 840,000 square feet. The construction started in the fourth quarter of

1999 and the anticipated completion is fall of 2002. The proposed IDX Tower is currently 82% leased.

The zone classification in this neighborhood is “Downtown Office Core 1 – 450” (DOC 1-450), which indicates a maximum building height limit of four hundred and fifty feet (450 feet) with street-level use requirements. Street-level uses that qualify and meet requirement are: 1) retail sales and services, except lodging; 2) human service uses and child care centers; 3) customer service offices; 4) entertainment uses, including cinemas and theaters; 5) museums and libraries; and 6) public atriums. The following uses shall be prohibited as both principal and accessory uses: drive-in businesses, except gas stations located in parking garage structures; outdoor storage; all general and heavy manufacturing uses; all salvage and recycling uses except recycling collection stations; and all high-impact uses.

Downtown Mixed Commercial: Area 30-50 and Area 30-100

Boundaries: The Downtown Mixed Commercial (DMC) zoned area starts at the northeast corner of Denny Way and Interstate 5 freeway and extends around DOC 2 and DOC 1. Area 30-50 is located south of Union Street, north of Columbia Street, ~~west~~ east of Alaskan Way, and ~~east~~-west of First Avenue. Area 30-100 is between the Downtown Retail Core and Pike Place Market area; zigzagging along the eastern boundaries of Belltown neighborhood; then zigzagging along the western boundaries of Downtown Office Core II; and extended north to Denny Way and Interstate 5 freeway.

Neighborhood Description: The properties in the Downtown Mixed Commercial (DMC) area are diverse with mixed commercial use. Area 30-50’s zone classification is “Downtown Mixed Commercial 160 (DMC 160)” indicating a maximum building height limit of one hundred and sixty feet (160 feet). The neighborhood is directly across from the Washington State Ferry terminal, which provides public ferry transportation across the Puget Sound to and from the Kitsap County area.

Area 30-100 is known as the Denny Triangle area and consists of mixed-use commercial properties. The zones in this neighborhood are Downtown Mixed Commercial 65 (DMC 65), Downtown Mixed Commercial 125 (DMC 125), Downtown Mixed Commercial 160 (DMC 160), and Downtown Mixed Commercial 240 (DMC 240). These zone classifications indicate a maximum building height limit ranging from sixty-five feet (65 feet) to two hundred and forty feet (240 feet).

Area 30-50 and Area 30-100 are zoned as a band intended to separate the Office Core and Retail Core from residentially zoned downtown areas. In addition, these areas are zoned as a buffer around the office and retail zones.

Area 30-50 consists of mixed use of office, retail, and warehouses structures, as well as surface parking lots. This area is in a slow process of revitalization with some buildings having been remodeled or renovated over the past several years.

Area 30-100 consists of mixed-use office, retail, hotel, theaters, apartments, warehouse, manufacturing, and condominiums with mixed-use commercial - residential structures. The northern portion of Area 30-100 is a mixture of commercial properties with many surface parking lots and several auto dealerships. Area 30-100 is in the process of revitalization. In the past two years several existing older buildings have been remodeled, renovated, or demolished to add new mid-rise structures, mostly apartments and condominiums with mixed-use commercial. The Cinerama Theater located on the northeast corner of Fourth Avenue and Lenora Street was completely renovated in the year 1999. Approximately 79% of the parcels in this neighborhood are either vacant parcels (surface parking lots) or the land value exceeds the improved property value via the income approach. At present, several residential projects are under construction in this area.

Downtown Retail Core: Area 30-60

Boundaries: The boundaries of Downtown Retail Core (DRC) are south of Olive Way, north of Union Street, east of Second Avenue, and west of Sixth Avenue.

Neighborhood Description: The Downtown Retail Core is Seattle's major retail area and considered as a strong shopping magnet with a lively tourist and convention attraction. The area consists of major department stores, mixed retail stores, and many upscale retail stores. This area has been revitalized with anchor owner Nordstrom staying in this area. The long time major department store Frederick and Nelson's building was purchased by Nordstrom in 1997 and renovated into the new Nordstrom Flagship store. The old existing Nordstrom Building, located on Fifth Avenue between Pine Street and Pike Street, has been renovated into office and retail space. Other major retail properties are Westlake Mall and Pacific Place. In 1999, the historic Mann Building located at 1411 Third Avenue was completely renovated into what is now the Wild Ginger restaurant with office space on the upper floors. .

Downtown Retail Core consists of the following buildings, which are considered as Landmark by the City of Seattle: Sixth and Pine Building, 523 Pine Street; Decatur Building, 1513 Sixth Avenue; Coliseum Theater, Fifth and Pike; Seaboard Building, 1506 Westlake Avenue; Fourth and Pike Building, 1424 Fourth Avenue; Pacific First Federal Savings, 1400 Fourth Avenue; Joshua Green Building, 1425 Fourth Avenue; Equitable Building, 1415 Fourth Avenue; 1411 Fourth Avenue Building, 1411 Fourth Avenue; Mann Building, 1411 Third Avenue; Olympic Savings Tower, 217 Pine Street; Fischer Studio Building, 1519 Third Avenue; Bon Marche, Third and Pine; Melbourne House, 1511 Third Avenue; and Former Woolworth's Building, 1512 Third Avenue.

The zone classification is Downtown Retail Core 85-150 (DRC 85-150), which allows a building height limit from 85 to 150 feet, coupled with significant retail requirements. Presently, the City of Seattle has proposed a rezone of the east side of Second Avenue starting between Stewart Street to Union Street changing the zone classification from Downtown Retail Core 85-150 (DRC 85-150) to Downtown Mixed Commercial 240

(DMC 240). The current Downtown Retail Core (DRC) is focused in the Westlake area and is growing eastward around the new Pacific Place Center and up Pike Street toward the Conventional Center Market. A proposed 21-story mixed-use tower comprised of a hotel, condominium units and an athletic club is planned for the parcels presently utilized as surface parking to the west of the Bon Marche parking garage. The \$100 million project has been in the works for the past two years and has been approved by the City of Seattle's Design Review Board.

Pike Place Market: Area 30-80

Boundaries: Pike Place Market's boundaries are south of Lenora Street, north of Union Street, east of Elliott Avenue, and west of First Avenue.

Neighborhood Description: Seattle's Pike Place Market is the last farmer's market in the United States, which has not been modernized, and therefore, to a large degree it is unspoiled. It was established by an ordinance in 1907. By 1917, much of the Market we know today was constructed, which is known as the Economy Market, Corner Market, Sanitary Market, and the lower levels of the Main Market. In the 1920's and 1930's when many farmers grew their produce closer to Seattle, there were more farmers' stalls than there are now. Nevertheless, loss of these stalls has been made up by a greater variety of other vendors and retail outlets. In November of 1971, the people of Seattle, by initiative measure at the municipal general election, voted to preserve the character and flavor of this market for all time. Specifically, they established a seven-acre Pike Place Market Historical District to be administered by a twelve-citizen commission with the aid and cooperation of the City's Department of Community Development.

Today, remodeled/renovated retail stores, restaurants, and mixed-use condominiums/apartments with retail and restaurant space exist within the Pike Place Market Historical District area. The neighborhood is one of Seattle's main tourist attractions.

The Pike Place Market Historic District's zone classification is Pike Market Mixed 85 (PMM 85). This zone only permits uses within the Pike Market Historic District, which shall be determined by the Pike Place Market Historic Commission pursuant to the Pike Place Market Historic District Ordinance, Chapter 25.24, Seattle Municipal Code. The Pike Place Market Historic District Ordinance is the vehicle for preservation of the Market as a community and regional asset. It provides the means for control of changes and modifications in the Pike Place Market Historic District. These guidelines, issued pursuant to Ordinance (SMC 25.24), are to help preserve and improve the District, and are designed to be sensitive to its unique characteristics.

The guidelines of the ordinance for any additions or changes to buildings shall maintain the character of the Market. This may be achieved by assuring that any repair or new construction fits the general requirements and the special characteristics of each area in the Market District. Any demolishing, building, renovating, altering, modifying,

changing, improving and even painting, as well as changes in use within the District must be approved by the commission.

Physical Inspection Identification:

The neighborhoods that were physically inspected for the 2002 assessment year were 30-10 (International District), and 30-60 (Downtown Retail Core).

Preliminary Ratio Analysis

A Ratio Study was completed just prior to the application of the 2001 recommended values. This study benchmarks the current assessment level using 2001 posted values. The study was also repeated after application of the 2001 recommended values. The results are included in the validation section of this report, showing a change in the Coefficient of Variation (COV) from 19.37% to 22.37%, Coefficient of Dispersion (COD) from 13.5% to 18.08%, and the weighted mean statistical measure of assessment level went from 91% to 90.7%.

The inclusion of the Ratio Study Analysis is done for administrative consistency only. Due to national, regional and local economic downturns as well as the tragic events of September 11, 2001 which have ultimately affected the current strength of the Seattle commercial real estate market, and the lack of sales occurring in late 2001 creates an uncertainty in the comparison of market sales prior to the chain of events with current market value estimates. Therefore, the results presented in the final ratio study are not considered to be a reliable analysis of recommended assessed values as compared with market sales. Recommended assessed values are based on market conditions as of January 1, 2002

Scope of Data

Land Value Data:

Vacant sales from 6/1998 to 1/2002 were given primary consideration for valuing land. Improved sales with demolition, new construction and renovation activities after the sale date represent tear down, "shell" sales or interim use sales. Those sales have been analyzed to reflect improvement contributions to overall price, where appropriate, thereby indicating the value allocation to the land.

Improved Parcel Total Value Data:

Sales information is obtained from excise tax affidavits and reviewed initially by the Accounting Division, Sales Identification Section. Information is analyzed and investigated by the appraiser in the process of revaluation. All sales were verified, if

possible, by calling either the purchaser or seller, inquiring in the field or calling the real estate agent. Characteristic data is verified for all sales if possible. Due to time constraints, interior inspections were limited. Sales are listed in the “Sales Used” and “Sales Not Used” sections of this report. Additional information resides in the Assessor’s procedure manual located in the Public Information area of the King County Administration Building.

Land Value

Land Sales, Analysis, Conclusions

There were 38 sales considered in the Area 30 land valuation analysis. A floor area ratio (FAR) was the primary method of analysis used in the land valuation process. All sales considered to represent land value were evaluated based on the base and maximum FAR allowed in their zone classification. Each zone allows for a range of development size on any given lot. The development size is based on a ratio of above ground gross building area to lot size. Different zones allow various amounts of density. Although, the opportunity to achieve a higher than maximum FAR on a project exists, the ability to predict what options/bonuses a development may consider is nearly impossible without performing a feasibility analysis on a case per case basis. As the task at hand is mass appraisal, the more efficient and equitable approach adopted was estimating the base and maximum allowable FAR for each sale within each zone classification. The sale price of each sale was first divided by the minimum FAR figure and then the maximum FAR figure. With that information available for each sale, a mean and median comparison for each zone classification group of sales of base and max FAR calculations was done. This information was used to determine which measurement (base or maximum FAR) was the most indicative of the market value of FAR's within each zone classification. The FAR level (base or max) for each zone classification was then labeled as the "reasonably achievable FAR" (typically the max FAR for each zone became this figure). Each sale was then converted to show the potential gross building area allowed on the site (land size*reasonably achievable FAR). The potential GBA was then multiplied by the market value per FAR (as indicated by the mean or median of the group). This figure then represented the full market value of the site. That figure was then converted to a price per square foot of land area by dividing by the lot area of the sale. This is the reason for some of the "odd/exacting" dollar amounts.

See attached table for complete analysis.

The following is a list of the figures used in the finalization of land valuation for each of the zone classifications.

<u>Neighborhood</u>	<u>ZONE DESIGNATION</u>	<u>REASONABLY ACHIEVABLE FAR</u>	<u>\$/FAR</u>	<u>LAND VALUE PER SQ. FT. OF LAND AREA</u>
10	IDM-75-85	3	\$30.00	\$90
10	IDM-100-120	3	\$30.00	\$90
10	IDR-150	2	\$45.00	\$90
100	DMC-125	7	\$16.50	\$116
80	PMM-85	7	\$17.50	\$123
100	DMC-160	7	\$18.50	\$130
50, 100	DMC-240	7	\$26.00	\$182
30	DOC2-240	10	\$24.50	\$245
70	DOC2-300	10	\$25.00	\$250
60	DRC 85-150	5	\$55.00	\$275
40	DOC1-450	14	\$21.50	\$301

Floor Area Ratio (FAR) is not applicable within Pioneer Square Zone Classifications (below), therefore only a sale price per square foot of land area analysis was completed.

20	PSM-100	\$90
20	PSM-100-120	\$90
20	PSM-85-120	\$90

The FAR analysis to land valuation is considered to be the most appropriate and meaningful in an urban area. It allows for a better comparison of parcel development potential, however adjustments are required to recognize limitations due to site configuration. Adjustments for topography, irregular shape, narrow width and proximity to the Alaskan Way Viaduct and Interstate 5 Highway have been made.

The FAR analysis calculations are shown on the following page.

Vacant Sales For Area 30 Used For FAR Analysis

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	BASE FAR	MAX FAR	SP/FAR (BASE)	SP/FAR (MAX)	Property Name	Zone	Par. Ct.	Ver. Code	BASE poten- tial GBA BASE	MAX poten- tial GBA	Poten- tial GBA*FAR (BASE)	BASE FAR/L AND SQ FT	potential GBA*FAR (MAX)	MAX FAR /LAND SQ FT	
030	040	197570	0040	7,200	1629554	\$1,800,000	07/27/98	\$250.00	6	14	\$42	\$17.86	HILTON HOTEL & UNIV PKG	DOC1/	1	2	43200	100800	\$2,160,000	\$300	\$2,217,600	\$308.00	
030	040	094200	0325	13,320	1677917	\$3,325,000	03/19/99	\$249.62	6	14	\$42	\$17.83	YMCA EXEMPT PORTION	DOC1/	1	2	79920	186480	\$3,996,000	\$300	\$4,102,560	\$308.00	Not in ratio study as AV includes addtl. TDR's in value not included in sale
030	040	094200	0320	39,960	1757419	\$20,000,000	06/02/00	\$500.50	6	14	\$83	\$35.75	STORE BUILDING	DOC1/	5	2	239760	559440	\$11,988,000	\$300	\$12,307,680	\$308.00	
										mean	\$56	\$24											
										median	\$42	\$18											
030	070	065900	0610	25,462	1636782	\$4,000,000	09/04/98	\$157.10	5	10	\$31	\$15.71	VACANT BLDG IN TEAR DOWN	DOC2/	1	2	127310	254620	\$6,110,880	\$240	\$6,238,190	\$245.00	
030	070	065900	0205	7,200	1641695	\$1,680,000	09/28/98	\$233.33	5	10	\$47	\$23.33	KDL HARDWARE CO	DOC2/	1	2	36000	72000	\$1,728,000	\$240	\$1,764,000	\$245.00	
030	030	094200	1140	6,660	1705471	\$1,300,000	08/19/99	\$195.20	5	10	\$39	\$19.52	PARKING	DOC2240	1	2	33300	66600	\$1,598,400	\$240	\$1,631,700	\$245.00	
030	070	066000	0975	19,695	1757699	\$5,099,900	05/24/00	\$258.94	5	10	\$52	\$25.89	GARAGE	DOC2/	1	2	98475	196950	\$4,726,800	\$240	\$4,825,275	\$245.00	
030	070	065900	0425	12,960	1769587	\$3,500,000	08/04/00	\$270.06	5	10	\$54	\$27.01	PARKING LOT	DOC2/	1	2	64800	129600	\$3,110,400	\$240	\$3,175,200	\$245.00	
030	070	066000	0670	10,800	1795217	\$3,240,000	12/27/00	\$300.00	5	10	\$60	\$30.00	PARKING LOT	DOC2	1	2	54000	108000	\$2,592,000	\$240	\$2,646,000	\$245.00	
										mean	\$47	\$24											
										median	\$49	\$25											
030	070	066000	0660	10,800	1778056	\$3,040,000	09/19/00	\$281.48	5	10	\$56	\$28.15	SURFACE PKG LOT	DOC2/3	1	2	54000	108000	\$2,592,000	\$240	\$2,700,000	\$250.00	
										mean	\$56	\$28											
										median	\$56	\$28											
030	100	066000	2685	7,200	1720161	\$800,000	11/04/99	\$111.11	5	7	\$22	\$15.87	ROCKCANDY	DMC/125	1	2	36000	50400	\$1,108,800	\$154	\$831,600	\$115.50	
030	100	066000	2680	14,400	1720163	\$1,600,000	11/04/99	\$111.11	5	7	\$22	\$15.87	BIG DYNO - MOTIVE	DMC125	1	2	72000	100800	\$2,217,600	\$154	\$1,663,200	\$115.50	
030	100	711750	0010	10,700	1844621	\$1,420,000	09/28/01	\$132.71	5	7	\$27	\$18.96	OFC & SVC GARAGE	DMC125	1	2	53500	74900	\$1,647,800	\$154	\$1,235,850	\$115.50	land sale; imp to be torn down
										mean	\$24	\$17											
										median	\$22	\$16											
030	100	066000	0475	7,200	1710470	\$936,000	09/14/99	\$130.00	5	7	\$26	\$18.57	PARKING LOT	DMC160	1	2	36000	50400	\$1,310,400	\$182	\$932,400	\$129.50	

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	BASE FAR	MAX FAR	SP/FAR (BASE)	SP/FAR (MAX)	Property Name	Zone	Par. Ct.	Ver. Code	BASE poten- tial GBA BASE	MAX poten- tial GBA	Poten- tial GBA*FAR (BASE)	BASE FAR/L AND SQ FT	potential GBA*FAR (MAX)	MAX FAR /LAND SQ FT	
030	100	065900	0985	6,480	1625255	\$1,000,000	07/15/98	\$154.32	5	7	\$31	\$22.05	VACANT LAND	DMC/240	2	2	32400	45360	\$1,166,400	\$180	\$1,179,360	\$182.00	
030	100	066000	0215	6,480	1648480	\$1,100,000	11/03/98	\$169.75	5	7	\$34	\$24.25	PARKING LOT	DMC240	1	2	32400	45360	\$1,166,400	\$180	\$1,179,360	\$182.00	
030	100	066000	2155	5,160	1655210	\$682,570	12/10/98	\$132.28	5	7	\$26	\$18.90	BRIGHT & MORNING STAR BAPTIST CH	DMC/240	1	2	25800	36120	\$928,800	\$180	\$939,120	\$182.00	
030	100	197720	1125	6,480	1715754	\$800,000	10/13/99	\$123.46	5	7	\$25	\$17.64	COMMODORE HOTEL GARAGE	DMC240	1	2	32400	45360	\$1,166,400	\$180	\$1,179,360	\$182.00	
030	100	069600	0055	12,960	1719534	\$2,100,000	11/01/99	\$162.04	5	7	\$32	\$23.15	PARKING LOT	DMC240	1	2	64800	90720	\$2,332,800	\$180	\$2,358,720	\$182.00	
030	100	197720	1220	19,440	1741638	\$3,900,000	03/16/00	\$200.62	5	7	\$40	\$28.66	C O H THRIFT SHOP	DMC/240	1	2	97200	136080	\$3,499,200	\$180	\$3,538,080	\$182.00	
030	100	197720	1220	6,480	1863335	\$1,400,000	12/19/01	\$216.05	5	7	\$43	\$30.86	C O H THRIFT SHOP (tom down)	DMC/241	1	2	32400	45360	\$1,166,400	\$180	\$1,179,360	\$182.00	
030	100	066000	0020	6,480	1773010	\$1,300,000	08/25/00	\$200.62	5	7	\$40	\$28.66	SURFACE PARKING LOT (LAND)	DMC240	1	2	32400	45360	\$1,166,400	\$180	\$1,179,360	\$182.00	
030	100	066000	0165	12,960	1773024	\$2,400,000	08/25/00	\$185.19	5	7	\$37	\$26.46	SURFACE PARKING LOT	DMC240	1	2	64800	90720	\$2,332,800	\$180	\$2,358,720	\$182.00	
030	100	066000	0205	12,960	1773025	\$2,400,000	08/25/00	\$185.19	5	7	\$37	\$26.46	SURFACE PARKING LOT (LAND)	DMC240	1	2	64800	90720	\$2,332,800	\$180	\$2,358,720	\$182.00	
030	100	066000	0205	6,480	1863333	\$1,400,000	12/21/01	\$216.05	5	7	\$43	\$30.86	SURFACE PARKING LOT (LAND)	DMC241	1	2	32400	45360	\$1,166,400	\$180	\$1,179,360	\$182.00	
030	050	197470	0190	12,756	1663868	\$3,500,000	01/21/99	\$274.00	5	7	\$55	\$39.20	FREEDMAN'S LOANS	DMC240	1	2	63780	89292	\$2,296,080	\$180	\$2,321,592	\$182.00	interim imp/assemblage
030	100	197720	1205	6,480	1746495	\$1,400,000	04/07/00	\$216.05	5	7	\$43.21	\$30.86	RETAIL STORE	DMC/240	1	2	32400	45360	\$1,166,400	\$180	\$1,179,360	\$182.00	
030	100	197720	1240	12,960	1707893	\$2,250,000	08/03/99	\$173.61	5	7	\$34.72	\$24.80	ALFRED ADLER & CO INC	DMC/240	2	2	64800	90720	\$2,332,800	\$180	\$2,358,720	\$182.00	
										mean	\$37	\$27											
										median	\$37	\$26											
030	060	197720	0990	27,262	1774862	\$10,800,000	09/01/00	\$396.16	3	5	\$132	\$79.23	U-PARK (MINORS #1015 & #1016)	DRC85/1	3	2	81786	136310	\$10,800,000	\$396	\$9,541,700	\$360.00	

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	BASE FAR	MAX FAR	SP/FAR (BASE)	SP/FAR (MAX)	Property Name	Zone	Par. Ct.	Ver. Code	BASE poten- tial GBA BASE	MAX poten- tial GBA	Poten- tial GBA*FAR (BASE)	BASE FAR/L AND SQ FT	potential GBA*FAR (MAX)	MAX FAR /LAND SQ FT	
030	010	766620	2665	14,490	1641910	\$538,000	10/01/98	\$37.13	3	6	\$12	\$6.19	PARKING LOT	IDM/75*	1	2	43470	86940	\$1,304,100	\$90	\$1,304,100	\$90.00	6 FOR HOTELS ONLY, BOTH BASE AND MAX
030	010	524780	2420	14,400	1822585	\$1,400,000	06/11/01	\$97.22	3	6	\$32	\$16.20	DENCO SALES	IDM-75	1	2	43200	86400	\$1,296,000	\$90	\$1,296,000	\$90.00	
030	010	524780	2000	14,400	1860953	\$1,500,000	01/02/02	\$104.00	1	2	\$104	\$52.00	u-park lot	IDR-150	1	2	14400	28800	\$1,296,000	\$90	\$1,296,000	\$90.00	
030	010	982070	0060	19,350	1698061	\$1,800,000	07/01/99	\$93.02	1	2	\$93	\$46.51	VACANT LOT	IDR-150	3	2	19350	38700	\$1,741,500	\$90	\$1,741,500	\$90.00	
030	020	766620	6930	6,489	1662152	\$535,000	01/07/99	\$82.45	N/A	N/A			DUNCAN/FRANG LORS	PSM-85	1	2							
030	020	524780	0015	9,433	1620833	\$700,000	06/02/98	\$74.21	N/A	N/A			FIREHOUSE ANTIQUES	PSM-100	1	2							
030	020	524780	0530	3,330	1670629	\$325,000	03/02/99	\$97.60	N/A	N/A			NEW STAGE THEATRE	PSM-100	1	2							
030	020	524780	0880	5,760	1759229	\$660,000	06/14/00	\$114.58	N/A	N/A			CANNERY WORKERS ILWU LOCAL 37	PSM-100	1	2							
030	020	524780	0955	6,480	1747690	\$600,000	04/18/00	\$92.59	N/A	N/A			GROCERY	PSM-120	1	2							

In addition to the adjustments made for the reasons stated on the preceding pages, an attempt to recognize additional development rights over and above the rights commensurate with the zoning classification was made. Many lots have transferred development rights (TDR's) to other parcels thereby reducing or eliminating the potential for development on one parcel and increasing the density of development on another parcel. The Assessor has recognized these increases and decreases to development potential by recognizing the amount of TDR's transferred (stated as an increase or decrease to gross building area). This figure is then used in the FAR analysis described above. A list of affected properties (sending lots and receiving lots) was provided by the City of Seattle. Please note, in some instances parcels have sold TDR's to the "city bank", but those rights have not yet been transferred to another parcel. In these instances the Assessor recognizes less rights associated with the sending parcel, but does not recognize additional development rights on another parcel as the rights have not been transferred to another parcel yet, but rather remain available for purchase from the "city bank".

The total land assessed value for the 2001 assessment year for Area 30 was \$1,385,854,900 and the total land assessed value for the 2002 assessment year is \$1,397,611,900. Application of these recommended values for the 2002 assessment year (taxes payable in 2003) results in change from the 2001 assessments of .85%. This increase is due partly to the upward market change over time and the previous assessment levels.

A list of vacant sales used and those considered not reflective of the market value are included in the following sections.

Vacant Sales Used

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
030	010	524780	2000	14,400	1860953	\$1,500,000	01/02/02	\$104.17	PARKING LOT	IDR-150	1	2	
030	010	524780	2420	14,400	1822585	\$1,400,000	06/11/01	\$97.22	DENCO SALES/TEAR DOWN	IDM-7	1	2	
030	010	982070	0060	19,350	1698061	\$1,800,000	07/01/99	\$93.02	VACANT LOT	IDR-150	3	2	
030	020	524780	0530	3,330	1670629	\$325,000	03/02/99	\$97.60	NEW STAGE THEATRE	PSM-100	1	2	
030	020	524780	0880	5,760	1759229	\$660,000	06/14/00	\$114.58	CANNERY WORKERS ILWU LOCAL 3	PSM-100	1	2	
030	020	524780	0955	6,480	1747690	\$600,000	04/18/00	\$92.59	GROCERY	PSM-120	1	2	
030	020	766620	6930	6,489	1662152	\$535,000	01/07/99	\$82.45	DUNCAN/FRANGLORS	PSM-85	1	2	
030	030	094200	1140	6,660	1705471	\$1,300,000	08/19/99	\$195.20	PARKING GARAGE	DOC2240	1	2	
030	040	094200	0320	39,960	1757419	\$20,000,000	06/02/00	\$500.50	TEARDOWN/NEW OFFICE DEVELOP	DOC1/	5	2	
													not in ratio study as assessed value includes additional development rights and sale did not
030	040	094200	0325	13,320	1677917	\$3,325,000	03/19/99	\$249.62	YMCA EXEMPT PORTION	DOC1/	1	2	
030	050	197470	0190	12,765	1663868	\$3,500,000	01/21/99	\$274.19	FREEDMAN'S LOANS	DMC240	1	2	
030	060	197720	0990	27,262	1774862	\$10,800,000	09/01/00	\$396.16	U-PARK (MINORS #1015 & #1016)	DRC85/1	3	2	
030	070	065900	0425	12,960	1769587	\$3,500,000	08/04/00	\$270.06	SURFACE PARKING LOT	DOC2/	1	2	
030	070	066000	0660	10,800	1778056	\$3,040,000	09/19/00	\$281.48		DOC 2/3	1	2	
030	070	066000	0670	10,800	1795217	\$3,240,000	12/27/00	\$300.00	PARKING LOT	DOC2	1	2	
030	070	066000	0975	19,695	1757699	\$5,099,900	05/24/00	\$258.94	PARKING LOT	DOC2/	1	2	
030	100	066000	0020	6,480	1773010	\$1,300,000	08/25/00	\$200.62	SURFACE PARKING LOT (LAND)	DMC240	1	2	
030	100	066000	0165	12,960	1773024	\$2,400,000	08/25/00	\$185.19	SURFACE PARKING LOT	DMC240	1	2	
030	100	066000	0205	12,960	1773025	\$2,400,000	08/25/00	\$185.19	SURFACE PARKING LOT (LAND)	DMC240	1	2	
030	100	066000	0475	7,200	1710470	\$936,000	09/14/99	\$130.00	PARKING LOT	DMC160	1	2	
030	100	066000	2680	14,400	1720163	\$1,600,000	11/04/99	\$111.11	BIG DYNO - MOTIVE	DMC125	1	2	
030	100	066000	2685	7,200	1720161	\$800,000	11/04/99	\$111.11	ROCKCANDY	DMC/	1	2	
030	100	069600	0055	12,960	1719534	\$2,100,000	11/01/99	\$162.04	PARKING LOT	DMC240	1	2	
030	100	197720	1125	6,480	1715754	\$800,000	10/13/99	\$123.46	COMMODORE HOTEL GARAGE	DMC240	1	2	
030	100	197720	1205	6,480	1746495	\$1,400,000	04/07/00	\$216.05	RETAIL STORE	DMC/240	1	2	
030	100	197720	1220	19,440	1741638	\$3,900,000	03/16/00	\$200.62	C O H THRIFT SHOP	DMC/240	1	2	
030	100	197720	1240	12,960	1707893	\$2,250,000	08/03/99	\$173.61	ALFRED ADLER & CO INC	DMC/240	2	2	
030	100	711750	0010	10,700	1844621	\$1,420,000	09/28/01	\$132.71	OFC & SVC GARAGE	DMC125	1	2	

Improved Parcel Total Values:

Market Overview

The Puget Sound region, along with the national economy, has fallen into a sharp recession. A number of factors led to the current downturn: the most shocking of course was the September 11 assault on America. The economic impacts of the attacks are still being felt throughout the country, affecting consumer confidence, air travel, and unemployment. Locally, employment is expected to decline by 1.8 percent in 2002 and rebound to 1.3 percent growth in 2003, according to the November 2001 edition of the Puget Sound Economic Forecaster.

The Puget Sound economy is continuing its downward slide and the real estate market is continuing to feel the effects. While office vacancies continue to rise, the rate at which they are climbing is slower than in previous quarters. Prospects for recovery remain difficult to assess as unemployment in the region remains among the highest in the country with Boeing layoffs beginning in earnest. Many are optimistic, predicting that the Puget Sound's solid foundation of successful companies and intrinsic attributes will lead to a bright future, sooner if not later. ¹

Sales comparison approach model description

The sales presented in the Improved Sales Used list range in date from 3/1999 to 1/2002. There were 25 improved sales in Area 30 considered as good and fair market transactions reflective of the market conditions at the time of their transaction, but not necessarily reflective of market conditions on January 1, 2002. Twenty-three of these sales were then used in the ratio studies presented. Two of the twenty-five sales were not presented in the ratio studies as each has been remodeled since purchase and the assessed values estimated no longer reflect the value of the data purchased.

The Sales Comparison Approach was not considered to be a reliable approach to valuation for the current revalue analysis due to the lack of sales available reflecting market conditions in the second half of 2001 and after the September 11, 2001 tragedy. Economic conditions began to deteriorate more rapidly beginning in the second half of 2001 and continued through the remainder of that year.

Cost approach model description

Cost estimates are automatically calculated via the Marshall & Swift Valuation modeling system. Depreciation was based on studies done by Marshall & Swift Valuation Service. The cost was adjusted to the western region and the Seattle area. Cost estimates were

¹ CB Richard Ellis Office Market Index, Fourth Quarter 2001, Puget Sound Washington

relied upon in the valuation of schools, churches, museums and most government buildings.

Cost calibration

The Marshall & Swift Valuation modeling system, which is built in the Real Property Application, is calibrated to the region and the Seattle area.

Income capitalization approach model description

The Income Approach was considered the most reliable approach to valuation throughout Area 30. Income parameters were derived from the market place through the sales listed as well as through market surveys and available publications. A rent survey was performed on a majority of the parcels in each of the physical inspection neighborhoods (10 & 60). Additional inquiries were made in the remaining neighborhoods in a more limited manner due to time constraints. The following pages indicate the data collected with both in-place and asking rents indicated depending on information availability. This information along with the other sources was relied upon in the estimation of market value via the Income Approach to valuation. For example, asking lease rate, operating expense and vacancy rate as reported by CB Richard Ellis 4th Quarter 2001 Report indicates the following:

Downtown Seattle

<u>Class</u>	<u>Asking Lease Rates</u>	<u>Operating Expenses</u>
A	\$25-\$44	\$5.75-\$10.50
B	\$17-\$32	\$5-\$8.50
C	\$12-\$26	\$3.50-\$7.50

Vacancy (average of historical vacancy for 4th quarter including sublease for the four market areas represented in Area 30) 14.92%

Officespace.com reported as of 1/13/02 office vacancy rates with sublet space at 13.12% and an average rent rate of \$31.79. Retail vacancy rates with sublet space was reported at 16.16% and rent rates at \$37.67. Finally, Price Waterhouse Coopers in their Korpacz Real Estate Investor Survey, 4th Quarter 2001, Pacific Northwest Office Market summary indicate an overall cap rate range of 8%-11% with an average of 9.14%. Caution should be exercised when using these reports for purposes of this revaluation as the properties included in their surveys not only include many of the properties in area 30, but also the major office building properties which are not a subject of this analysis. The information is considered to be helpful as well as indicative of the Seattle Central Business District economy.

Area 30 1/1/02 Revaluation Rent Survey

neighborhood	type	source	date	NNN	Effective Rent	gross	expenses (\$/sq. ft) or (%)	size	asking	in-place	Effective year built	Building Quality	Notes
10	apt	LL	Feb. 2002			7.15-10.52		ave 838		yes			
10	apt	owner	March, 2002			11				yes	1980	ave	renovated 10+ yrs ago
10	apt/1 bed	property manager	Mar-02			15	2.5-3.00	500		yes	1975	average	0% vacancy in bldg
10	apt/1 bed	rental office	Feb. 2002			22.76-23.34		580-694		yes	2000	good	apts are located above a mini-mall concept
10	apt/2 bed	property manager	Mar-02			10.6		900		yes	1975	average	0% vacancy in bldg
10	apt/2 bed flat/townhome	rental office	Feb. 2002			18.92-19.3		904-1181		yes	2000	good	apts are located above a mini-mall concept
10	apt/studios	prop mgmt co	Feb. 2002			13.5		400		yes	1954		\$450/mo
10	apt/studios	rental office	Feb. 2002			17.63-19.93		575-602		yes	2000	good	apts are located above a mini-mall concept
10	office	tenant	Feb. 2002			12.27		1,100		yes			
10	office	LL	March, 2002			18		1,300	yes				
10	office	landlord	Feb. 2002			\$5.40				bsmt office	1985		single family residence conversion 1989 renov.; office in basement
10	office	property manager	Mar-02	12			2.5-3.00			yes	1950		1/3 of office space in bldg is vacant
10	pkg	tenant	Feb. 2002			120/stall/mo				yes			surface pkg across from Howard Dong Building
10	pkg stalls	LL	Feb. 2002			\$60/stall/mo				yes	1950		

neighborhood	type	source	date	NNN	Effective Rent	gross	expenses (\$/sq. ft) or (%)	size	asking	in-place	Effective year built	Building Quality	Notes
10	restaurant	LL rep	March,2002	10.4 modifeid				6,920		yes	1975	ave/good	7yr lease now in option time
10	restaurant	listing agent	Feb. 2002	8.4				22,710		yes	1967	average	signed recently;tenant remodeling a bit
10	restaurant			10.8						yes			lease negotiated 4 yrs ago
10	retail	owner	Feb. 2002	11				600		yes	1965	average	
10	retail	owner rep on site	Feb. 2002			30	\$7.50	800		yes	2001	average/good	
10	retail	LL	Feb. 2002			11.65		875		yes			
10	retail					20		1,000		yes	1955		better space;carp,lighting, drywall
10	retail	tenant & owner	Feb. 2002	15.36				1,000		yes	1965	average	
10	retail	prop mgmt co	Feb. 2002	11.16				1,371		yes			
10	retail	prop mgmt co	Feb. 2002	12				1,500		yes			
10	retail	LL	Feb. 2002			12		1,500		yes			
10	retail	listing agent	March,2002	24			\$6.00	8,000		yes	2000	ave/good	anchor tenant
10	retail	tenant & owner	Feb. 2002	6.62				2900 ground + 2900 bsmt		yes	1965	average	
10	retail	listing agent	March,2002	30			\$6.00	3100 1st flr 2200 mezz level					
10	retail	owner	Feb. 2002	7.33				600 street level + 1200 bsmt		yes	1965	average	
10	retail			\$10-\$12			\$100/mo	600-700		yes	1955		\$12 is for more visible space
10	retail	listing agent	March,2002	\$15-\$17			\$5-\$6	large		yes	1970		
10	retail	LL	Feb. 2002	12-18			1.75-2			yes			
10	retail	listing agent	March,2002	30			\$9 + \$6 for restaurant busing in food court			yes			
10	retail	tenant	Feb. 2002	26.18									
10	retail	owner	March,2002	22.53						yes	1981	ave	renovated 10+ yrs ago
10	retail	LL	Feb. 2002	12						yes			
10	retail	property manager	Mar-02	12-15			2.5-3.00			yes	1950		
10	retail	property manager	Mar-02	15			2.5-3.00			yes	1975	average	0% vacancy in bldg

neighborhood	type	source	date	NNN	Effective Rent	gross	expenses (\$/sq. ft) or (%)	size	asking	in-place	Effective year built	Building Quality	Notes
10	retail/bakery	owner/acct	March,2002	10.8						yes			
10	retail/café	tenant	Feb. 2002	10.2									
10	retail/office	listing agent	March,2002	15			\$5-\$6	large	yes		1970		
	retail/warehouse use	property manager	Feb. 2002	4						yes			most of space is warehouse and parking;lease negotiated 4 yrs ago
10	tavern	LL	Feb. 2002	21			1.75-2			yes			
10	warehouse	listing agent	Feb. 2002	10.2				11,040	yes		1967	average	
20	artist lofts	property manager	March,2002		7		\$2.50-\$3	2,300		yes			
20	office	listing agent	Oct. 2001			22.75	\$5.50-\$6	1,800	yes				
20	office	listing agent	Oct. 2001			22		2,800	yes				
20	office	listing agent	Oct. 2001			21	\$5.50-\$6	3,600	yes				
20	office	listing	April, 2002			21		18,785	yes				
20	office	listing agent	Oct. 2001			22	\$5.50-\$6	3,600		pending			renewal
20	office	listing agent	Oct. 2001			13	\$5.00	3,930	yes				basement and irregularly shaped
20	office	listing	Oct. 2001	17				4,992	yes				basement location
20	office	listing	Oct. 2001	25				12,874	yes				2nd floor
20	office	listing agent	Oct. 2001	16-18			\$4.00	24,000					seismically upgrading building
20	office	listing agent	Oct. 2001			21+/-		800-970	yes				3-5 yr terms
20	retail	listing agent	April, 2002			18		1,475		yes			5 yr lease with annual escalations based on CPI;one 5yr renewal option
20	office ?	listing agent	Oct. 2001			18		1,500					ventilated
20	office ?	listing agent	Oct. 2001	25			\$2.62	2,000	yes				
20	office ?	listing agent	Oct. 2001	18-20				5,000	yes				
20	office?	listing agent	Oct. 2001			15		1,100					
20	office?	listing agent	Oct. 2001	18				1,750					602 James on 2nd Avenue
20	office?	listing agent	Oct. 2001	18			\$5.85	2,200					
20	office?	listing agent	Oct. 2001	20's			\$5.85	7,000					
20	retail	tenant	9/18/2001	\$30				600		yes			\$30/sq ft NNN; fairly recent change in rate
20	retail	listing agent	Feb. 2002	20	\$18 yr 1;\$20 over the term		\$1.35	1,194		yes			\$10 psf TI allowance, 5yr term (\$1 per yr escalation), 5yr renewal included;signed in 2001

neighborhood	type	source	date	NNN	Effective Rent	gross	expenses (\$/sq. ft) or (%)	size	asking	in-place	Effective year built	Building Quality	Notes
20	retail	listing agent	Oct. 2001	22			\$4.00	1,500		yes			
20	retail	listing agent	April, 2002	20				5,400		yes	1989		signed in 11/01; level rent with increases in NNN's
20	retail	listing agent	April, 2002	22.43			\$500/mo	1,400		yes	1989		now in year 7 of a 10 yr deal
	retail	listing agent	April, 2002	16.75				2,800		yes	1989		\$1/yr increases in rent
20	retail	listing agent	April, 2002	22			\$4.11	632		yes			3 yr lease, steps to 23NNN then 24NNN with a 3 yr renewal option
20	retail	listing agent	April, 2002	17			\$4.11	1,607		yes			5 yr lease, steps to 18,\$22,\$25 NNN with a 5 yr renewal option
20	retail/grill	listing agent	Oct. 2001	low to mid 20's				3,000	yes				basement location
20	retail/office?	listing agent	Oct. 2001	18			\$5.85	1,600	yes				irreg. Shape; entrance on Yesler
20	storage	listing agent	Oct. 2001			\$6-\$8		2,000	yes				
30	apt	mgr	March, 2002			15.78		460	yes	yes	1961	low	
30	restaurant	listing agent	March, 2002	10				3400+/-		yes			Konich's
30	retail	listing agent	March, 2002	12				1,600	yes-2yrs				
50	office	property manager	March, 2002			mid \$20"s	\$7.00	3 floors		yes	renovated in 1980		Lease Crutcher Lewis is long term tenant; only office tenant
50	retail	property manager	March, 2002	18			\$5.00			yes	renovated in 1981		
60	???/office	listing agent	Jan. 2002	\$6-\$9				40,000	yes				"as-is", no elevators, upper floors, no windows, abatement needed
60	office	property manager	Feb. 2002	64			\$6.00	1,500		yes			jewelry store
60	office	property manager	Feb. 2002			10	\$6.00	1,500		yes			
60	office	property manager	Feb. 2002	26			\$7.36	26,082		yes			trying to sublease 6000 sq ft at \$20-\$21 full service
60	office	landlord	2/7/2002	\$6/sq ft			\$6.50	44,822		yes			Nordstrom office space for 8 years

neighborhood	type	source	date	NNN	Effective Rent	gross	expenses (\$/sq. ft) or (%)	size	asking	in-place	Effective year built	Building Quality	Notes
60	office	property manager	1/29/2002	mid teens/low \$20's			\$9-\$10	10,000+/-	yes	yes			
60	office	listing	Jan. 2002			\$17-\$19		212-1100	yes				Gordon Boone 682-9325
60	office	property manager	1/29/2002	\$25-\$27			10% +/-	4100+/-		yes			
60	office	property manager	Feb. 2002			30	\$7.61	5th flr		yes			across from US Bank Centre
60	office	property manager	Feb. 2002	5.23						yes			ground level; 1 yr lease
60	office												
60	office	property manager	Jan. 2002			\$19-\$24				yes			97% occupancy
60	office	landlord	Feb. 2002			20	\$7.00			yes			
60	office	landlord	Feb. 2002		\$29	24-33							
60	office	landlord	Feb. 2002		\$16-\$17	\$14-\$17							b-c class; high vacancy in building
60	office	property manager	March, 2002			19	\$8.00			yes			office space approx. 85% occupied
60	office	property manager	March, 2002			\$21-\$22	\$8.00			yes			
60	retail/kiosk	listing	March, 2002	90				181	yes				1st flr kiosk
60	retail	property manager	Feb. 2002	70			\$3-\$5	966	yes				across from US Bank Centre
60	retail	property manager	Feb. 2002	70			\$3-\$4	1,266		yes			across from US Bank Centre
60	retail	property manager	Feb. 2002	57			\$3.56	1,392		yes			
60	retail	property manager	Feb. 2002	67			\$3-\$4	1,480		yes			across from US Bank Centre
60	retail	landlord	2/7/2002	19.2				1,500		yes			smokeshop
60	retail	landlord	2/7/2002	\$19.20				1,500		yes			mo to mo
60	retail	property manager	Feb. 2002	52			\$6.00	1,500		yes			café
60	retail	property manager	Feb. 2002	59			\$3-\$4	1,728		yes			across from US Bank Centre
60	retail	property manager	Feb. 2002	60			\$3.56	1,914		yes			
60	retail	property manager	1/29/2002	\$50-\$75			\$8-\$9	2,160		yes			heart of retail core
60	retail	tenant	Feb. 2002	42.58			10%	3,100		yes			lease expiring; tenant moving next door

neighborhood	type	source	date	NNN	Effective Rent	gross	expenses (\$/sq. ft) or (%)	size	asking	in-place	Effective year built	Building Quality	Notes
60	retail	property manager	Feb. 2002	33.92			\$3.56	3,394		yes			
60	retail	listing agent	Feb. 2002	mid 20's				4,170	yes				corner retail location/1st flr of a parking garage
60	retail	landlord	Feb. 2002	27			10%	6,000		yes			
60	retail	landlord	2/7/2002	7.75				6,500		yes			Sam Goody older lease
60	retail	landlord	2/7/2002	\$7.75				6,500		yes			mo to mo
60	retail	property manager	Feb. 2002			\$38.63	\$6.00	9,320		yes			Bananna Republic-men's
60	retail	property manager	Feb. 2002	34.88				16,200		yes			Bananna Republic
60	retail	property manager	Feb. 2002	36			\$1.00	48,804		yes			Gap
60	retail	listing agent	Feb. 2002	60			\$14.00	1553-1973	yes				
60	retail	landlord	Feb. 2002	17.5-20			\$3-\$4	1900+/-		yes			
60	retail	property manager	1/29/2002	\$70				4100+/-		yes			heart of retail core
60	retail	landlord	Feb. 2002	30				large		yes			Bartell's
60	retail	landlord	Feb. 2002	40				typical		yes			
60	retail	property manager	March, 2002	30			\$5-\$6			yes			retail space approx. 95% occupied
60	retail	property manager	March, 2002	high \$30's						yes			
60	SRO/low income	property manager	Feb. 2002			35.83		144		yes			\$430/mo; shared baths
60	storage	property manager	1/29/2002	\$10-\$12				800		yes			
60	storage	property manager	1/29/2002	\$10				5,000		yes			
60	storage	property manager	March, 2002			10				yes			\$10-\$12
70	office	listing agent	March, 2002			18	at least \$5.50	10800 available	yes				
70	retail	listing	March, 2002								1989		
80	office	property manager	March, 2002	10				basement	will be lucky to get when lease expires in 5/02				
80	office	property manager	March, 2002			21 ave	\$6.75			yes			latest deals @ \$18 FS

neighborhood	type	source	date	NNN	Effective Rent	gross	expenses (\$/sq. ft) or (%)	size	asking	in-place	Effective year built	Building Quality	Notes
80	restaurant	property manager	March,2002	\$20			\$4.00			yes	renovated in 1988		Typhoon Restaurant
80	retail	property manager	March,2002	38			\$9.74	1,138		pending			great location/frontage
80	retail	property manager	March,2002	28			\$7.05	2,240	yes				1200 sq ft may be split out to rent as storage at \$15/FS
80	retail	property manager	March,2002	19-25						yes			interior back locations at \$19
80	youth hostile	property manager	March,2002			16				yes	renovated in 1987		majority tenant
100	apt/1 beds	property manager	March,2002			14.85		505		yes			12% vacancy
100	apt/studios	property manager	March,2002			16.1		410		yes			12% vacancy
100	office	listing	March,2002			13.15		2,445	yes				2nd flr/sublease
100	office	property manager	March,2002			\$30		6,425		yes			
100	office	property manager	March,2002	22.5-28			\$6.15 last yr, est \$6.79 for 2002	800sq ft-3 floors		yes	1986	good	\$28 is for very small space included 10K TI's by LL, \$22.50 is ave for 3 floors
100	restaurant	listing	March,2002	20				3,000	yes				for sale at \$1,800,000
100	retail	listing	March,2002	30				2,132	yes				street level retail suite d
100	retail	listing	March,2002	30				2,748	yes				street level retail suite c
100	retail	property manager	March,2002	32				4,145		yes			
100	retail	property manager	March,2002	22-28			\$5.75 in 2001, est \$6.34 for 2002	1000 sq ft +		yes	1986	good	leases signed 4 years ago
100	restaurants	owner	April, 2002	21				3,840		yes	1960	ave	fairly recent
belltown	/officeretail office	property manager	March,2002	10			\$1.50	7,200					

An individual analysis was done for each neighborhood within area 30. Income parameters differed somewhat significantly from neighborhood to neighborhood in some instances and even within neighborhoods in others. A general description of the income parameters used in each neighborhood follows. Income Tables were used in two neighborhoods (10 & 20). These two neighborhoods have data characteristics that lend themselves more easily to this mass appraisal valuation technique. Individual income calculations were performed in the remaining neighborhoods. These can be found in workbooks labeled as income sheets with the specific neighborhood indicated. Worksheets for each property where an income calculation was performed are contained within the neighborhood workbook. Condominium unit valuation calculations are contained within their own workbook labeled condo income sheets. Finally, low-income housing was valued according to the Department's interpretation of the Washington State Supreme Court's ruling in Cascade Court et al where maximum allowable rent was determined to be the appropriate income parameter for ad valorem tax valuation purposes. Properties listed as low income housing on a spreadsheet made available by the City of Seattle were valued in this manner. These calculations are contained in a workbook labeled low-income value estimates. All of the above-described workbooks can be found in the Area 30 revalue section of the 2002 Central Crew revalue directory on the server.

NEIGHBORHOOD 10: INTERNATIONAL DISTRICT

RETAIL, RESTAURANTS, <10,001 SQ FT NRA

LEASE RATE RANGE (NNN)	\$8-\$24
TYPICAL LEASE RATE (NNN)	\$10-\$15
VACANCY AND COLLECTION LOSS	5%
OPERATING EXPENSES	10%
CAPTIALIZATION RATE RANGE	9%-9.5%

RETAIL, RESTAURANTS, >10,000 SQ FT NRA

LEASE RATE RANGE (NNN)	\$7-\$12
TYPICAL LEASE RATE (NNN)	\$9-\$10
VACANCY AND COLLECTION LOSS	5%
OPERATING EXPENSES	10%
CAPTIALIZATION RATE RANGE	9%-9.5%

OFFICE <50,001 SQ FT NRA

LEASE RATE RANGE (NNN)	\$11-\$15
TYPICAL LEASE RATE (NNN)	\$12-\$13
VACANCY AND COLLECTION LOSS	10%
OPERATING EXPENSES	10%
CAPTIALIZATION RATE RANGE	9%-9.5%

BASEMENT OFFICE <50,001 SQ FT NRA

LEASE RATE RANGE (NNN)	\$4-\$6
TYPICAL LEASE RATE (NNN)	\$4.50-\$5
VACANCY AND COLLECTION LOSS	10%
OPERATING EXPENSES	5%
CAPTIALIZATION RATE RANGE	9%-9.5%

**APARTMENTS, MULTI RESIDENCES ETC.<200,001 SQ FT
NRA**

LEASE RATE RANGE	\$10-\$20
TYPICAL LEASE RATE	\$11-\$13
VACANCY AND COLLECTION LOSS	5%
OPERATING EXPENSES	\$2.50-\$3.00/sq.ft. NRA
CAPTIALIZATION RATE RANGE	9%-9.5%

STORAGE

LEASE RATE RANGE (NNN)	\$4-\$7
TYPICAL LEASE RATE (NNN)	\$6
VACANCY AND COLLECTION LOSS	5%
OPERATING EXPENSES	10%
CAPTIALIZATION RATE RANGE	9.50%

NEIGHBORHOOD 20: PIONEER SQUARE**RETAIL, RESTAURANTS, <20,001 SQ FT NRA**

LEASE RATE RANGE (NNN)	\$12-\$21
TYPICAL LEASE RATE (NNN)	\$16-\$18
VACANCY AND COLLECTION LOSS	10%
OPERATING EXPENSES	10%
CAPTIALIZATION RATE RANGE	9.25%-9.5%

OFFICE <75,001 SQ FT NRA

LEASE RATE RANGE	\$13-\$21
TYPICAL LEASE RATE	\$18-\$20
VACANCY AND COLLECTION LOSS	15%
OPERATING EXPENSES	35%
CAPTIALIZATION RATE RANGE	9.25%-9.5%

BASEMENT OFFICE <50,001 SQ FT NRA

LEASE RATE RANGE	\$7-\$14
TYPICAL LEASE RATE	\$10-12
VACANCY AND COLLECTION LOSS	15%
OPERATING EXPENSES	35%
CAPTIALIZATION RATE RANGE	9.25%-9.5%

**APARTMENTS, MULTI RESIDENCES ETC.<200,001 SQ FT
NRA**

LEASE RATE RANGE	\$10-\$21
TYPICAL LEASE RATE	\$13-\$17
VACANCY AND COLLECTION LOSS	15%
OPERATING EXPENSES	30%
CAPTIALIZATION RATE RANGE	9.25%-9.5%

STORAGE

LEASE RATE RANGE (NNN)	\$4-\$6
TYPICAL LEASE RATE (NNN)	\$5
VACANCY AND COLLECTION LOSS	5%
OPERATING EXPENSES	10%
CAPTIALIZATION RATE RANGE	9.50%

NEIGHBORHOOD 30: DOWNTOWN OFFICE CORE II (SOUTH PORTION)

Total of 4 buildings

OFFICE <97,000SQ FT NRA

LEASE RATE RANGE	\$12-\$24
TYPICAL LEASE RATE	\$24
VACANCY AND COLLECTION LOSS	15%
OPERATING EXPENSES	\$7.50/SQ. FT. NRA
CAPTIALIZATION RATE RANGE	9.25%-9.5%

RETAIL, RESTAURANTS, <20,001 SQ FT NRA

LEASE RATE RANGE (NNN)	\$15-\$20
TYPICAL LEASE RATE (NNN)	\$20
VACANCY AND COLLECTION LOSS	10%
OPERATING EXPENSES	10%
CAPTIALIZATION RATE RANGE	9%-9.75%

NEIGHBORHOOD 40: DOWNTOWN OFFICE CORE I**OFFICE <90,000SQ FT NRA**

LEASE RATE RANGE	\$18-\$24
TYPICAL LEASE RATE	\$20-\$22
VACANCY AND COLLECTION LOSS	15%
OPERATING EXPENSES	\$7.50/SQ. FT. NRA
CAPTIALIZATION RATE RANGE	9.25%-9.5%

RETAIL, RESTAURANTS

LEASE RATE RANGE (NNN)	\$15-\$25
TYPICAL LEASE RATE (NNN)	\$20
VACANCY AND COLLECTION LOSS	10%
OPERATING EXPENSES	10%
CAPTIALIZATION RATE RANGE	9.25%-9.50%

NEIGHBORHOOD 50: DOWNTOWN MIXED COMMERCIAL**OFFICE**

LEASE RATE RANGE	\$21
TYPICAL LEASE RATE	\$21
VACANCY AND COLLECTION LOSS	15%
OPERATING EXPENSES	\$7.50/SQ. FT. NRA
CAPTIALIZATION RATE RANGE	9.25%-9.5%

RETAIL, RESTAURANTS

LEASE RATE RANGE (NNN)	\$17-\$20
TYPICAL LEASE RATE (NNN)	\$20
VACANCY AND COLLECTION LOSS	10%
OPERATING EXPENSES	10%
CAPTIALIZATION RATE RANGE	9.25%

NEIGHBORHOOD 60: DOWNTOWN RETAIL CORE**OFFICE**

LEASE RATE RANGE	\$18-\$29
TYPICAL LEASE RATE	\$22-\$24
VACANCY AND COLLECTION LOSS	15%
OPERATING EXPENSES	\$7.50-\$9/SQ. FT. NRA
CAPTIALIZATION RATE RANGE	9.25%-9.5%

RETAIL, RESTAURANTS

LEASE RATE RANGE (NNN)	\$17-\$65
TYPICAL LEASE RATE (NNN)	\$30-\$40
VACANCY AND COLLECTION LOSS	10%
OPERATING EXPENSES	10%
CAPTIALIZATION RATE RANGE	9.25%-9.50%

NEIGHBORHOOD 70:DOWNTOWN OFFICE CORE II (NORTH PORTION)

Approximately 75% of parcels are either vacant or the land value exceeds income value estimates

OFFICE

LEASE RATE RANGE	\$14-\$30
TYPICAL LEASE RATE	\$15-\$20
VACANCY AND COLLECTION LOSS	15%
OPERATING EXPENSES	\$6-\$9/SQ. FT. NRA
CAPTIALIZATION RATE RANGE	9.25%-9.5%

RETAIL, RESTAURANTS

LEASE RATE RANGE (NNN)	\$15-\$35
TYPICAL LEASE RATE (NNN)	\$15
VACANCY AND COLLECTION LOSS	10%
OPERATING EXPENSES	10%
CAPTIALIZATION RATE RANGE	9.25%-9.50%

NEIGHBORHOOD 80: PIKE PLACE MARKET**OFFICE**

LEASE RATE RANGE	\$15-\$21
TYPICAL LEASE RATE	\$20
VACANCY AND COLLECTION LOSS	15%
OPERATING EXPENSES	\$7/SQ. FT. NRA
CAPTIALIZATION RATE RANGE	9.50%

RETAIL, RESTAURANTS

LEASE RATE RANGE (NNN)	\$20-\$25
TYPICAL LEASE RATE (NNN)	\$24
VACANCY AND COLLECTION LOSS	10%
OPERATING EXPENSES	10%
CAPTIALIZATION RATE RANGE	9.50%

NEIGHBORHOOD 100: DOWNTOWN MIXED COMMERCIAL

Approximately 79% of parcels are either vacant or the land value income value estimates exceeds

OFFICE

LEASE RATE RANGE	\$13-\$26
TYPICAL LEASE RATE	\$15-\$20
VACANCY AND COLLECTION LOSS	15%
OPERATING EXPENSES	\$6-\$7.50/SQ. FT. NRA
CAPTIALIZATION RATE RANGE	9.25-9.5%

RETAIL, RESTAURANTS

LEASE RATE RANGE (NNN)	\$15-\$21
TYPICAL LEASE RATE (NNN)	\$18-\$20
VACANCY AND COLLECTION LOSS	10%
OPERATING EXPENSES	10%
CAPTIALIZATION RATE RANGE	9.25%-9.50%

Additionally, income from parking was considered. Income was based on an allocation of total parking spaces into daily and monthly rates. Monthly spaces were calculated as representing 67% of the total spaces while daily spaces accounted for the remaining 33%. No turnaround income was recognized on the daily spaces. The Parking Inventory for Seattle and Bellevue 1999 prepared by the Puget Sound Regional Council was utilized as a basis for establishing parking rates in the various neighborhoods in Downtown Seattle. This report was supported by verified rates on sold properties when available. The rates used to calculate income attributed to parking were based on location (the map on the following page delineates the parking neighborhood boundaries) and rates as indicated in the following tables. The 1999 weighted mean column was the rate source (rates were truncated down to the nearest dollar):

This map of Birmingham, Alabama, displays 11 numbered planning areas. The areas are defined by major streets and are numbered as follows: 1 (south-central), 2 (southeast), 3 (central), 4 (central-east), 5 (central-east), 6 (central-west), 7 (central-west), 8 (central-east), 9 (northwest), 10 (central-west), 11 (northwest), and 12 (central-west). Major streets labeled include Denny Way, Olive Way, S Jackson St, S Dearborn St, S Royal Brougham Way, S Valley Way, S 1st Ave, S 2nd Ave, S 3rd Ave, S 4th Ave, S 5th Ave, S 6th Ave, S 7th Ave, S 8th Ave, S 9th Ave, S 10th Ave, S 11th Ave, S 12th Ave, S 13th Ave, S 14th Ave, S 15th Ave, S 16th Ave, S 17th Ave, S 18th Ave, S 19th Ave, S 20th Ave, S 21st Ave, S 22nd Ave, S 23rd Ave, S 24th Ave, S 25th Ave, S 26th Ave, S 27th Ave, S 28th Ave, S 29th Ave, S 30th Ave, S 31st Ave, S 32nd Ave, S 33rd Ave, S 34th Ave, S 35th Ave, S 36th Ave, S 37th Ave, S 38th Ave, S 39th Ave, S 40th Ave, S 41st Ave, S 42nd Ave, S 43rd Ave, S 44th Ave, S 45th Ave, S 46th Ave, S 47th Ave, S 48th Ave, S 49th Ave, S 50th Ave, S 51st Ave, S 52nd Ave, S 53rd Ave, S 54th Ave, S 55th Ave, S 56th Ave, S 57th Ave, S 58th Ave, S 59th Ave, S 60th Ave, S 61st Ave, S 62nd Ave, S 63rd Ave, S 64th Ave, S 65th Ave, S 66th Ave, S 67th Ave, S 68th Ave, S 69th Ave, S 70th Ave, S 71st Ave, S 72nd Ave, S 73rd Ave, S 74th Ave, S 75th Ave, S 76th Ave, S 77th Ave, S 78th Ave, S 79th Ave, S 80th Ave, S 81st Ave, S 82nd Ave, S 83rd Ave, S 84th Ave, S 85th Ave, S 86th Ave, S 87th Ave, S 88th Ave, S 89th Ave, S 90th Ave, S 91st Ave, S 92nd Ave, S 93rd Ave, S 94th Ave, S 95th Ave, S 96th Ave, S 97th Ave, S 98th Ave, S 99th Ave, S 100th Ave. A scale bar at the bottom indicates distances up to 1 mile, and a north arrow is located in the bottom right corner.

Table 5**Seattle CBD: Average Monthly Costs & Annual Percent Change, 1989-1999**

Parking Zone	1989 Weighted Avg	1992 Weighted Avg	89-92 Annual % Change	1994 Weighted Avg	92-94 Annual % Change	1996 Weighted Avg	94-96 Annual % Change	1999 Weighted Avg	96-99 Annual % Change	89-99 Annual % Change
1	\$ 65.27	\$ 68.17	1.5%	\$ 61.87	-4.7%	\$ 65.50	2.9%	\$ 138.33	28.3%	7.8%
2	\$ 47.56	n.a.	n.a.	n.a.	n.a.	\$ 50.87	n.a.	\$ 69.55	11.0%	3.9%
3	\$ 83.13	\$ 109.02	9.5%	\$ 93.52	-7.4%	\$ 96.36	1.5%	\$ 113.34	5.6%	3.1%
4	\$ 98.29	\$ 123.51	7.9%	\$ 128.78	2.1%	\$ 138.89	3.9%	\$ 184.51	9.9%	6.5%
5	\$ 119.88	\$ 139.89	5.3%	\$ 149.74	3.5%	\$ 153.62	1.3%	\$ 202.12	9.6%	5.4%
6	\$ 102.63	\$ 106.76	1.3%	\$ 109.95	1.5%	\$ 121.09	4.9%	\$ 157.16	9.1%	4.4%
7	\$ 104.72	\$ 120.23	4.7%	\$ 123.79	1.5%	\$ 142.17	7.2%	\$ 193.41	10.8%	6.3%
8	\$ 118.72	\$ 128.80	2.8%	\$ 134.15	2.1%	\$ 152.27	6.5%	\$ 195.43	8.7%	5.1%
9	\$ 45.64	\$ 63.41	11.6%	\$ 60.14	-2.6%	\$ 65.13	4.1%	\$ 104.07	16.9%	8.6%
10	\$ 71.84	\$ 96.92	10.5%	n.a.	n.a.	\$ 95.97	n.a.	\$ 125.51	9.4%	5.7%
11	\$ 65.53	\$ 77.81	5.9%	\$ 94.33	10.1%	\$ 89.43	-2.6%	\$ 118.39	9.8%	6.1%
12	\$ 87.24	\$ 108.43	7.5%	\$ 108.61	0.1%	\$ 119.79	5.0%	\$ 157.47	9.5%	6.1%
13	\$ 77.35	\$ 82.84	2.3%	\$ 84.44	1.0%	\$ 91.15	3.9%	\$ 152.84	18.8%	7.0%
AVG	\$ 93.34	\$ 111.43	6.1%	\$ 116.30	2.2%	\$ 129.14	5.4%	\$ 173.57	10.4%	6.4%

"n.a." -- not applicable; fewer than 5 lots in zone with monthly rates.

Table 4**Seattle CBD: Average Daily Costs & Annual Percent Change, 1989-1999**

Parking Zone	1989 Weighted Avg	1992 Weighted Avg	89-92 Annual % Change	1994 Weighted Avg	92-94 Annual % Change	1996 Weighted Avg	94-96 Annual % Change	1999 Weighted Avg	96-99 Annual % Change	89-99 Annual % Change
1	\$ 3.88	\$ 4.37	4.0%	\$ 4.44	0.8%	\$ 4.54	1.1%	\$ 8.41	22.8%	8.0%
2	n.a.	\$ 3.42	n.a.	\$ 3.63	3.0%	\$ 3.43	-2.8%	\$ 4.77	11.6%	n.a.
3	\$ 5.29	\$ 5.42	0.8%	\$ 5.57	1.4%	\$ 6.36	6.9%	\$ 9.05	12.5%	5.5%
4	\$ 10.30	\$ 11.23	2.9%	\$ 10.93	-1.3%	\$ 11.31	1.7%	\$ 16.13	12.6%	4.6%
5	\$ 9.93	\$ 11.31	4.4%	\$ 12.12	3.5%	\$ 14.05	7.7%	\$ 18.45	9.5%	6.4%
6	\$ 8.00	\$ 7.51	-2.1%	\$ 8.14	4.1%	\$ 9.36	7.2%	\$ 11.52	7.2%	3.7%
7	\$ 8.48	\$ 10.09	6.0%	\$ 10.27	0.9%	\$ 12.38	9.8%	\$ 16.16	9.3%	6.7%
8	\$ 7.82	\$ 8.67	3.5%	\$ 9.65	5.5%	\$ 11.89	11.0%	\$ 18.50	15.9%	9.0%
9	\$ 5.28	\$ 6.82	8.9%	\$ 6.21	-4.6%	\$ 7.44	9.5%	\$ 12.16	17.8%	8.7%
10	\$ 5.41	\$ 7.02	9.1%	\$ 6.39	-4.6%	\$ 8.43	14.9%	\$ 9.97	5.7%	6.3%
11	\$ 6.35	\$ 7.01	3.4%	\$ 6.55	-3.3%	\$ 8.27	12.4%	\$ 8.81	2.1%	3.3%
12	\$ 6.71	\$ 7.20	2.4%	\$ 7.56	2.5%	\$ 8.44	5.7%	\$ 11.36	10.4%	5.4%
13	\$ 5.68	\$ 5.80	0.7%	\$ 5.13	-6.0%	\$ 6.10	9.0%	\$ 11.21	22.5%	7.0%
AVG	\$ 7.45	\$ 8.37	4.0%	\$ 8.60	1.4%	\$ 9.83	6.9%	\$ 14.39	13.6%	6.8%

"n.a." -- not applicable; fewer than 5 lots in zone with daily rates.

Table 2
Seattle CBD: Occupancy Rates and Annual Percent Change, 1989-1999

Parking Zone	1989	1992	89-92	1994	92-94	1996	94-96	1999	96-99	89-99
	Occ. Rate (%)	Occ. Rate (%)	Annual % Change	Occ. Rate (%)	Annual % Change	Occ. Rate (%)	Annual % Change	Occ. Rate (%)	Annual % Change	Annual % Change
1	41.9%	50.7%	6.6%	53.0%	1.5%	57.6%	4.3%	42.2%	-14.4%	0.1%
2	60.4%	57.5%	-1.6%	55.5%	-1.1%	62.7%	6.2%	72.2%	7.3%	1.8%
3	79.7%	84.2%	1.8%	81.2%	-1.2%	72.2%	-5.7%	84.7%	8.3%	0.6%
4	82.1%	76.5%	-2.3%	79.6%	1.3%	86.6%	4.3%	87.8%	0.7%	0.7%
5	82.3%	74.4%	-3.3%	75.2%	0.3%	85.5%	6.6%	85.9%	0.3%	0.4%
6	80.3%	67.1%	-5.8%	72.5%	2.6%	77.2%	3.2%	71.0%	-4.1%	-1.2%
7	84.8%	79.2%	-2.3%	83.8%	1.9%	88.9%	3.0%	82.5%	-3.6%	-0.3%
8	72.9%	71.1%	-0.8%	80.7%	4.3%	90.4%	5.9%	74.2%	-9.4%	0.2%
9	79.0%	62.4%	-7.6%	65.7%	1.7%	74.2%	6.3%	76.3%	1.4%	-0.4%
10	71.8%	70.5%	-0.6%	66.9%	-1.7%	67.9%	0.7%	80.6%	8.9%	1.2%
11	64.1%	72.9%	4.4%	67.4%	-2.6%	84.4%	11.9%	81.4%	-1.8%	2.4%
12	73.1%	74.5%	0.6%	71.1%	-1.5%	74.5%	2.3%	79.3%	3.2%	0.8%
13	81.1%	88.0%	2.8%	81.9%	-2.4%	80.0%	-1.2%	85.6%	3.4%	0.5%
Total	75.4%	73.3%	-0.9%	74.6%	0.6%	80.3%	3.7%	78.2%	-1.3%	0.4%

Income approach calibration

The models were calibrated after setting base rents by using adjustments based on size, effective age, construction class, quality, and location as recorded in the Assessor's records.

Reconciliation and or validation study of calibrated value models including ratio study of hold out samples.

All parcels were individually reviewed for correctness of the model application before final value selection. All of the factors used to establish value by the model were subject to adjustment. The market rents as established by the income model were used as a guide in establishing the market rental rates used. The market rental rate applied varies somewhat but falls within an acceptable range of variation from the established guideline. The Senior Appraiser reviewed final values selected before posting.

Model Validation

Total Value Conclusions, Recommendations and Validation:

Appraiser judgment prevails in all decisions regarding individual parcel valuation. Each parcel in the physical inspection neighborhood was field reviewed and a value selected based on general and specific data pertaining to the parcel, the neighborhood, and the market. The Appraiser determines which available value estimate may be appropriate and may adjust for particular characteristics and conditions as they occur in the valuation area.

The standard statistical measures of valuation performance are presented the 2001 and 2002 Ratio Analysis charts included in this report. Comparison of the 2001 Ratio Study Analysis and the 2002 Ratio Study Analysis indicates that the weighted mean statistical measure of assessment level went from 91% to 90.7%. This is within the IAAO appraisal guidelines. The uniformity measures produced by the 2002 Ratio Analysis do not fall within appraisal guidelines. This is not cause for concern in this revalue as previously discussed within the ratio study documents. The Coefficient of Dispersion (COD) went from 13.5% to 18.08%, the Coefficient of Variation (COV) went from 19.37% to 22.37%, and the Price-related Differential (PRD) went from 1.0 to 1.05.

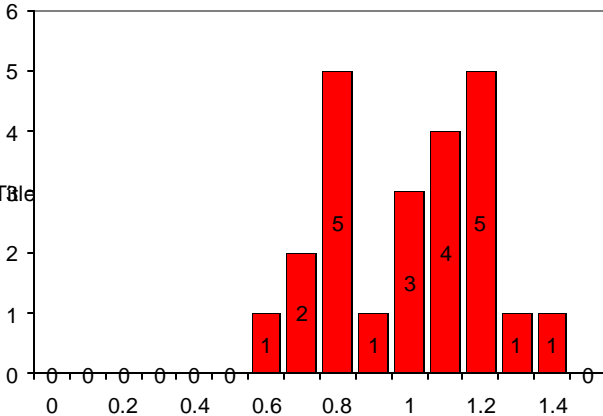
The total assessed values for area 30 for the 2001 assessment year was \$2,990,390,586 and the total recommended value for the 2002 assessment year is \$2,949,762,552. Application of these recommended values for the 2002 assessment year (taxes payable in 2003) results in an average total change from the 2001 assessments of -1.36%. This decrease is due to market conditions of this area and the previous assessment levels.

Note: More details and information regarding aspects of the valuations and the report are retained in the working files and folios kept in the office.

2001 Ratio

Quadrant/Crew:	Lien Date:	Date:	Sales Dates:																
Central Crew	1/1/2001	5/21/2002	3/1/99 - 9/25/01																
Area	Appr ID:	Prop Type:	Trend used?: Y / N																
30	LWIL	Improvement	N																
SAMPLE STATISTICS																			
Sample size (n)	23	<div>Ratio Frequency</div> <table><thead><tr><th>Ratio</th><th>Frequency</th></tr></thead><tbody><tr><td>0.5-0.6</td><td>1</td></tr><tr><td>0.6-0.7</td><td>1</td></tr><tr><td>0.7-0.8</td><td>3</td></tr><tr><td>0.8-0.9</td><td>2</td></tr><tr><td>0.9-1.0</td><td>9</td></tr><tr><td>1.0-1.1</td><td>4</td></tr><tr><td>1.1-1.2</td><td>3</td></tr></tbody></table>		Ratio	Frequency	0.5-0.6	1	0.6-0.7	1	0.7-0.8	3	0.8-0.9	2	0.9-1.0	9	1.0-1.1	4	1.1-1.2	3
Ratio	Frequency																		
0.5-0.6	1																		
0.6-0.7	1																		
0.7-0.8	3																		
0.8-0.9	2																		
0.9-1.0	9																		
1.0-1.1	4																		
1.1-1.2	3																		
Mean Assessed Value	3,308,900																		
Mean Sales Price	3,635,500																		
Standard Deviation AV	3,143,985																		
Standard Deviation SP	3,000,895																		
ASSESSMENT LEVEL																			
Arithmetic mean ratio	0.908																		
Median Ratio	0.949																		
Weighted Mean Ratio	0.910																		
UNIFORMITY																			
Lowest ratio	0.4947																		
Highest ratio:	1.1385																		
Coefficient of Dispersion	13.50%																		
Standard Deviation	0.1759																		
Coefficient of Variation	19.37%																		
Price-related Differential	1.00																		
RELIABILITY																			
95% Confidence: Median																			
Lower limit	0.873	<p>These figures reflect the 2001 assessments when compared with sales from 1999-2001. All standards appear to be met, however caution was exercised when reviewing the values in place with the current market. Attention was given to the possibility that the 1/1/01 assessments may not necessarily reflect the current market in light of the economic downturn experienced after the majority of the sales used in this analysis. Therefore, a revaluation effort was undertaken even though the need may not have been apparent from the numbers expressed here.</p>																	
Upper limit	1.010																		
95% Confidence: Mean																			
Lower limit	0.836																		
Upper limit	0.980																		
SAMPLE SIZE EVALUATION																			
N (population size)	462																		
B (acceptable error - in decimal)	0.05																		
S (estimated from this sample)	0.1759																		
Recommended minimum:	45																		
Actual sample size:	23																		
Conclusion:	Uh-oh																		
NORMALITY																			
Binomial Test																			
# ratios below mean:	8																		
# ratios above mean:	15																		
z:	1.251086484																		
Conclusion:	Normal*																		
*i.e., no evidence of non-normality																			

2002 Ratio

Quadrant/Crew:	Lien Date:	Date:	Sales Dates:																				
Central Crew	1/1/2002	5/21/2002	3/1/99 - 9/25/01																				
Area	Appr ID:	Prop Type:	Trend used?: Y / N																				
30	LWIL	Improvement	N																				
SAMPLE STATISTICS																							
Sample size (n)	23	<div>Ratio Frequency</div>  <p>Axis Title</p> <p>Ratio</p> <table border="1"><caption>Ratio Frequency Data</caption><thead><tr><th>Ratio</th><th>Frequency</th></tr></thead><tbody><tr><td>0.6</td><td>1</td></tr><tr><td>0.7</td><td>2</td></tr><tr><td>0.8</td><td>5</td></tr><tr><td>0.9</td><td>1</td></tr><tr><td>1.0</td><td>3</td></tr><tr><td>1.1</td><td>4</td></tr><tr><td>1.2</td><td>5</td></tr><tr><td>1.3</td><td>1</td></tr><tr><td>1.4</td><td>1</td></tr></tbody></table>		Ratio	Frequency	0.6	1	0.7	2	0.8	5	0.9	1	1.0	3	1.1	4	1.2	5	1.3	1	1.4	1
Ratio	Frequency																						
0.6	1																						
0.7	2																						
0.8	5																						
0.9	1																						
1.0	3																						
1.1	4																						
1.2	5																						
1.3	1																						
1.4	1																						
Mean Assessed Value	3,296,300																						
Mean Sales Price	3,635,500																						
Standard Deviation AV	2,835,802																						
Standard Deviation SP	3,000,895																						
ASSESSMENT LEVEL																							
Arithmetic mean ratio	0.949																						
Median Ratio	0.983																						
Weighted Mean Ratio	0.907																						
UNIFORMITY																							
Lowest ratio	0.5474																						
Highest ratio:	1.3643																						
Coefficient of Dispersion	18.08%																						
Standard Deviation	0.2123																						
Coefficient of Variation	22.37%																						
Price-related Differential	1.05																						
RELIABILITY																							
95% Confidence: Median		<p>These figures reflect the 2002 assessments when compared with sales from 1999-2001. While all standards have not been met in this analysis, namely the COV and PRD measures of uniformity, the assessments recommended in this revaluation are considered to be more reflective of the 1/1/02 local economy and a better measure of value than the sales activity from 3/99-1/02 as utilized in this analysis due to the changes in the national and local economies that are not reflected in these transactions.</p>																					
Lower limit	0.782																						
Upper limit	1.101																						
95% Confidence: Mean																							
Lower limit	0.862																						
Upper limit	1.036																						
SAMPLE SIZE EVALUATION																							
N (population size)	462																						
B (acceptable error - in decimal)	0.05																						
S (estimated from this sample)	0.2123																						
Recommended minimum:	62																						
Actual sample size:	23																						
Conclusion:	Uh-oh																						
NORMALITY																							
Binomial Test																							
# ratios below mean:	11																						
# ratios above mean:	12																						
z:	0																						
Conclusion:	Normal*																						
*i.e., no evidence of non-normality																							

Improvement Sales Used

Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
1900	15,340	1795303	\$2,480,000	01/02/01	\$161.67	OHIO APTS/RETAIL	IDM-75	1	2	
0125	21,260	1707108	\$2,000,000	08/25/99	\$94.07	LOWMAN & HANFORD BUILDING	PSM-100	1	2	
0140	15,000	1690068	\$1,965,000	06/04/99	\$131.00	HOWARD BUILDING	PSM-100	1	2	
0235	21,760	1813205	\$3,600,000	04/11/01	\$165.44	FIRST & CHERRY BLDG	PSM-100	1	2	
0170	11,600	1845086	\$1,800,000	09/25/01	\$155.17	CROWN HOTEL BLDG	PSM-100	1	2	
0170	11,600	1686792	\$1,200,000	05/20/99	\$103.45	CROWN HOTEL BLDG	PSM-100	1	2	
0550	3,960	1815171	\$540,000	04/30/01	\$136.36	MERCHANTS CAFE	PSM-100	1	2	
0720	26,000	1739480	\$2,950,000	02/28/00	\$113.46	DUNCAN BLDG/THE FENIX	PSM-1	1	2	
0855	16,368	1765866	\$1,600,000	07/19/00	\$97.75	MOSES BUILDING (LOFT)	PSM-100	1	2	
0965	5,940	1862366	\$695,000	01/03/02	\$117.00	MONTAREY HOTEL BLDG (VAC)	PSM-120	2	2	
6871	64,488	1750614	\$3,800,000	05/01/00	\$58.93	PROVIDENT BLDG	PSM-85	1	2	Remodel since sale; not in ratio study
0060	8,790	1695217	\$1,000,000	06/28/99	\$113.77	MCCLARY - SWIFT BUILDING	PSM-100	1	2	
0230	72,597	1670164	\$12,498,274	03/01/99	\$172.16	HOGUE BUILDING	DOC2/2*	1	2	
0240	46,454	1734269	\$7,103,900	01/31/00	\$152.92	D C L U	DOC2/2*	1	2	
0275	35,480	1736512	\$5,000,000	02/01/00	\$140.92	IMPERIAL HOTEL BUILDING	DRC85/1	1	2	
0330	45,000	1713981	\$6,225,000	09/29/99	\$138.33	THE MIKEN BLDG/1417 BLDG	DRC85/1	1	2	
0435	54,580	1733331	\$7,900,000	01/24/00	\$144.74	COLUMBIA BUILDING (0440) & PKING	DRC85/1	2	2	
0410	28,946	1769590	\$3,500,000	08/04/00	\$120.91	AVCO FINANCIAL SERVICES	DOC2/	3	2	
0416	48,717	1795589	\$7,000,000	01/05/01	\$143.69	BUTTERWORTH BLDG	PMM/85	2	2	also includes minor 0420
0005	8,940	1700084	\$1,710,000	07/26/99	\$191.28	CRISSEY FLORIST	DMC240	1	2	
0176	25,380	1769593	\$7,000,000	08/08/00	\$275.81	SMALL OFC BLDG & KING THEATER	DMC240	2	2	
1420	99,320	1761910	\$14,975,427	06/28/00	\$150.78	LENORA SQUARE	DMC125	2	2	Remodel since sale; not in ratio study
2264	12,360	1745047	\$1,999,211	03/31/00	\$161.75	TELEMATION	DMC125	1	2	
0045	12,600	1794545	\$1,900,000	12/28/00	\$150.79	JAY ROCKEY PUBLIC RELATIONS	DMC240	1	2	
0295	6,480	1773016	\$1,950,000	08/25/00	\$300.93	MIDAS MUFFLER & 60 MIN TUNE	DMC240	1	2	